

Developers



"Sure, we need affordable housing—just so long as it doesn't come at the expense of unaffordable housing."

Affordable Housing

Lack of consensus on theory, practice & policy

For Developers

Benefits

Master Builders Association

- Extra \$2,000-\$8,000 for 5 star house - 20% emission reduction
- Extra \$5,000-\$10,000 for 6 star house
- Built environment uses up to 40% of total energy
- Ever expanding demand



Risks

- Common ideology: Quality - Affordability = Reduced Return.
- Lenders will speculate on achieved return; inadequate loan
- Unlikely to make money quickly
- Cost of land / housing return

**Governments have locked land
via zoning laws artificially
driving city land prices up**



Mass Housing Developments - Good and Bad

India

- “Tata” who designed “Nano” car
- seen to make huge profits from affordable housing
- Homes will cost 7,800 a piece



Ixtapaluca, Mexico

- 300 homes built, poorly articulated identity of areas and space between public and private space.



RDP – Reconstruction and Development Programme

Far East Bank of Alexandria, South Africa

- Between 1994 and 2001 over 1.1 million cheap houses
- Aimed to resettle families on 300,000 square kilometres of land

Reality

- In reality only 1% of land was acquired and of the 12.5 million people only 5 million people have a home
- “Palmer Development Consulting” refitting derelict houses with energy-efficiency as heating costs 60% of owners income



N2 Gateway Housing Pilot Project

Delft, Cape Town, South Africa

- Joint project between government bodies and Thubelisha Co.
- estimates that some 25,000 units will be constructed, about 70% of which will be allocated to shack-dwellers

Reality

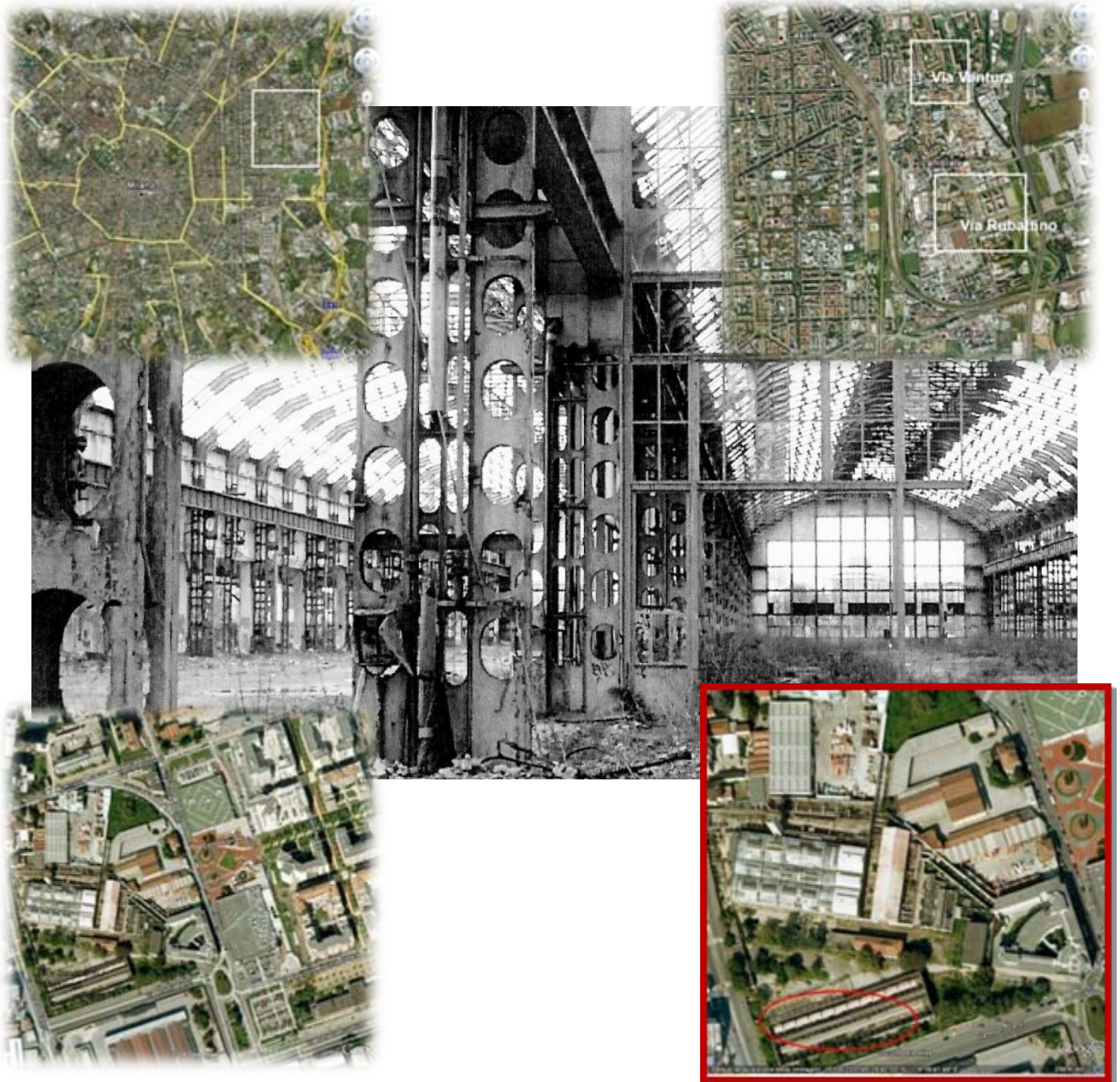
- N2 Gateway is a beautification project for the 2010 FIFA World Cup
- Poor development is in light of the shacks near to the Cape Town Airport



“Brown” Wedges

Via Rubatino, Milan, Italy

- Supermarket which built on the periphery of Milan
- Location is a pre-Industrial site
- Nearby unused Industrial site



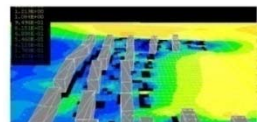
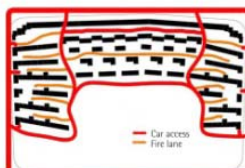
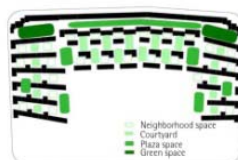
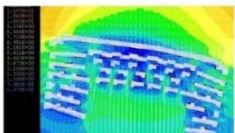
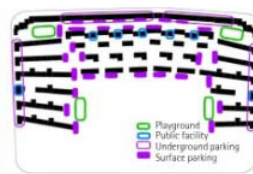
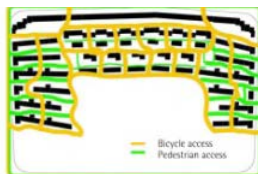
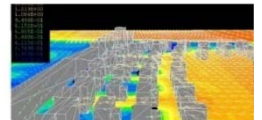
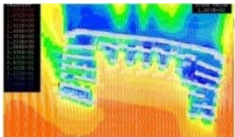
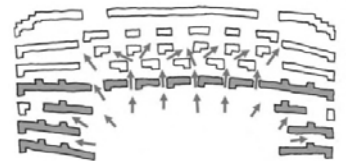
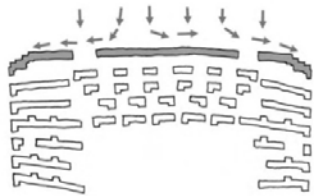
Beijing Hui Long Guan Development

Mass - residential development, Hui Long Guan

- Common to the area is many high-rise residential developments in the area that neglect a sociological perspective characterized by poorly articulated relationships between public and private space.
- Typical of modern urban development in Beijing.

Project O2

- Socially sustainable development in a high-density setting.
- Advice through local government informed developer about achieving Ventilation, Orientation and proximities between public and Private spaces.



Co – Housing

- Cohousing is a practical form of sustainable residential environment, unfamiliar in Australia, though taking off overseas.
- Houses are usually attached in clusters or opposing rows and frame a child-friendly ‘safe space’, free from cars, which are generally banished to the periphery.
- Other patterns include retrofit of former office or apartment buildings (eg “Rainbow Cohousing”, Milton Keynes UK), and detached housing with a separate Common House and forming the housing element within an “EcoVillage” (Ithaca, Loudoun).

Local Examples

Pinkarri Community, Port Headland

- Eight rental and four privately owned dwellings sit on only 3,000 square metres in Hamilton Hill, redeveloped as part of the Better Cities Programme.



Co – Housing

For Developers

Benefits

- Corporate image, point-of-difference.
- Contribution to social sustainability.
- New partnerships, tax breaks, carbon trading certificates.
- Access to government land: affordable housing crisis.
- Future new technologies.
- Pioneer developers can learn then earn as consultants (eg Crystal Waters, Somerville, EnergyArchitecture, Ecopolis) or peer trainers (Currumbin).

Risks

- Perception inadequate profits.
- Not understanding Cohousing, ESD, social options.
- Inexperienced with resident input and governance.



Expressions of Affordability

The Merchant - Victoria Harbour

- Indicated that a lack of skilled staff was a barrier for growth.
- Hospitality, retail and cultural/recreation services industries.
- Affordable housing suited to those in industries that primarily offer casual or part-time employment.
- Requiring ready access to the inner Melbourne area who require casual or part-time employment.
- Apply through an “expression of interest” form



Expressions of Affordability

For Developers

Benefits

- Corporate image, point-of-difference.
- Contribution to social and economic sustainability.
- New urban partnerships, tax breaks, carbon trading certificates.
- Spur new and innovative techniques for other apartment developers in Harbour and elsewhere.
- Identify market and background check on tenants.

Risks

- Unnecessary use of office staff and budget.
- Perception of inadequate profits.
- Not understanding climate of demand by these sectors.
- Inexperienced with resident input and governance.

International Planning

Paris - Local Urbanism Plan 2005

- Require developers to set aside 25% of any 1000m project.
- Majority reserved for teachers, nurses, council employees, etc.
- 71,000 city retail must be developed appropriate to previous use
eg. New mobile phone dealerships replacing butchers and grocers
- Set aside 2% of new residential buildings for bicycles
- Though, this will reduce the number of parking spaces required

Conclusion

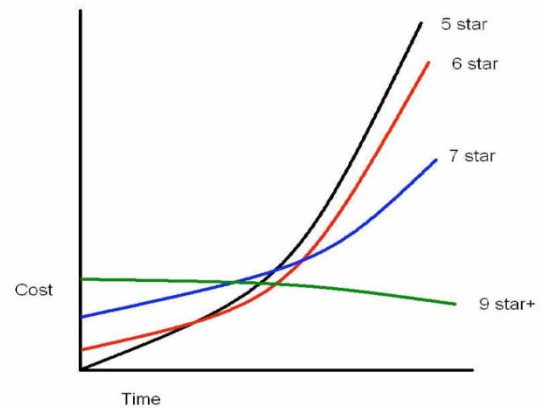
For Developers

More accurate data base from:

- Industry
- Policy makers
- Academic research

Addition of:

- Alternative energy – reducing lifetime cost of building; more attractable to customers
- water collection and reuse
- Further building archetypes – flats, townhouses etc
- More development plans to be scrutinized by Council



Test other Affordability factors

- *Lighting / Appliances*
- *Energy platforms*
- *Procurement / Supply chains*
- *Behaviour*

